



POSTAL SERVICE

39 CFR Part 111

Domestic Competitive Products Pricing and Mailing Standards Changes

AGENCY: Postal Service™.

ACTION: Final rule.

SUMMARY: The Postal Service is amending its *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®), to reflect changes to prices and mailing standards for certain competitive products.

DATES: Effective: January 26, 2014.

FOR FURTHER INFORMATION CONTACT: Margaret Choiniere (202) 268-7231 or Garry Rodriguez (202) 268-7281.

SUPPLEMENTARY INFORMATION: This final rule describes new prices and product features for competitive products, by class of mail, established by the Governors of the United States Postal Service®. New prices are available under Docket Number CP2014-5 on the Postal Regulatory Commission's (PRC) web site at <http://www.prc.gov>, and also located on the Postal Explorer® website at <http://pe.usps.com>.

The Postal Service will revise *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®), to reflect changes to prices and mailing standards for the following competitive products:

- Priority Mail Express™.
- Priority Mail®.
- First-Class Package Service™.

- Parcel Select[®].
- Standard Post[™].
- Extra Services.
- Return Services.
- Mailer Services.
- Recipient Services.

Competitive product prices and changes are identified by product as follows:

Priority Mail Express

Prices

Overall, Priority Mail Express prices will increase 3.0 percent. Priority Mail Express will continue to offer zoned Retail, Commercial Base[™], and Commercial Plus[™] pricing tiers.

Retail prices will increase an average of 3.1 percent. The price for the Retail Flat Rate Envelope, Legal Flat Rate Envelope, and Padded Flat Rate Envelope is increasing to \$19.99. The Flat Rate Box price is increasing to \$44.95. This is the first price increase for the Flat Rate Box since its introduction in January 2012.

The existing Commercial Base prices offer lower prices to customers who use online and other authorized postage payment methods. Commercial Base prices will increase an average of 2.9 percent.

The existing Commercial Plus price category offers price incentives to large volume customers. Commercial Plus prices will increase an average of 0.6 percent.

Delivery and Availability Times for Priority Mail Express

The Postal Service will eliminate the 12 p.m. time for delivery of items to an addressee within the delivery area of the destination facility for Priority Mail Express Next Day and Second Day delivery. The default time for delivery of items to an addressee for Next Day and Second Day delivery will be 3:00 p.m. The Postal Service is announcing a new optional 10:30 a.m. delivery time for a fee of \$5.00 for PO Box[™] and street delivery service for certain origin and destination ZIP Code[™] pairs.

The Postal Service will also revise the Hold For Pick Up service times for Priority Mail Express Next Day and Second Day delivery items. The current 10:00 a.m., 12:00 p.m., and 3:00 p.m., pick up times will be change to 10:30 a.m. and 3:00 p.m. There is no fee for the 10:30 a.m. pick up time.

PME Package Simplification Updates

As part of the Package Simplification efforts which began on July 28, 2013, the Postal Service continues to streamline offerings to eliminate unnecessary items. The expansion of transportation networks for expedited products and enhancements in scanning technology has resulted in no detectable difference for handling and delivery of the two primary Priority Mail Express services available today. As a result, we will update DMM language as follows: Priority Mail Express Post Office to Addressee will be referred to as

simply Priority Mail Express, and Priority Mail Express Custom Designed service will be discontinued.

Additionally, the Postal Service will update the January 26, 2014, DMM to globally change Priority Mail Express Next Day Delivery and Priority Mail Express Second Day Delivery to Priority Mail Express 1-Day Delivery and Priority Mail Express 2-Day Delivery.

Priority Mail

Prices

Overall, Priority Mail prices will average a net zero percent price increase. The price increase varies by price cell and price tier.

Retail prices will average a net zero percent price increase. The Flat Rate Envelope will continue to be priced at \$5.60, along with the Legal Flat Rate Envelope priced at \$5.75 and Padded Flat Rate Envelope priced at \$5.95. The Flat Rate Box prices will remain the same for the Small, \$5.80, and Medium, \$12.35, boxes. The Large Flat Rate Box will increase to \$17.45 and Large APO/FPO/DPO Box will be \$15.45.

Commercial Base prices offer lower prices to customers who use online and other authorized postage payment methods. Commercial Base prices will average a net zero percent price increase. Commercial Base pricing offers an average 11.0 percent discount off retail prices.

Commercial Plus price category offers attractive price incentives to large volume customers. Commercial Plus prices will average a net zero percent price

increase. Commercial Plus pricing offers an average 14.3 percent discount off retail prices.

Commercial Plus Volume Threshold

For consistency, the Postal Service will reduce the Commercial Plus volume threshold of 75,000 total pieces in the previous calendar year (except Priority Mail Open and Distribute) to 50,000 total pieces in the previous calendar year (except Priority Mail Open and Distribute). The 5,000 letter-size and flat-size pieces (including Flat Rate Envelopes, but not the Padded Flat Rate Envelope) cumulative account volume threshold will remain the same.

Commercial Plus Cubic

The Postal Service will reduce the Commercial Plus cubic volume threshold from exceeding 150,000 pieces in the previous calendar year to exceeding 50,000 pieces in the previous calendar year, to make cubic pricing more accessible to a larger group of customers.

Priority Mail Open and Distribute

The Postal Service will revise DMM section 423.1.1 to clarify that only tray boxes entered at Priority Mail Commercial Plus prices are not based on weight, but are charged based on the tray box and zone to which it is sent. Tray boxes not entered at Priority Mail Commercial Plus prices are priced as Priority Mail by weight and zone.

First-Class Package Service

Prices

Overall, First-Class Package Service prices will increase 5.0 percent. The Intelligent Mail® package barcode (IMpb) will continue to provide free USPS tracking and confirmation of delivery with these parcels.

Parcel Select

Prices

Overall, Parcel Select prices will increase an average of 9.2 percent.

The average price increase for Parcel Select Destination Entry destination delivery unit (DDU) is 8.0 percent, destination sectional center facility (DSCF) is 5.6 percent, and destination network distribution center (DNDC) is 5.1 percent.

The prices for Parcel Select NDC (network distribution center) and ONDC (origin network distribution center) presorted parcels are increasing an average of 10.0 and 5.8 percent respectively. The prices for Parcel Select Nonpresort parcels are increasing an average of 5.2 percent.

The prices for Parcel Select Lightweight™ (PSLW) will increase an average of 10.1 percent. The IMpb will continue to provide free USPS tracking and confirmation of delivery with PSLW as well.

Standard Post

Overall, Standard Post prices will increase an average of 5.2 percent.

Eligibility Criteria for Standard Post

The Postal Service moved Standard Post to the competitive product listing effective January 27, 2013. This included aligning the costs with Priority Mail Zone 1 through 4, 1 through 15 pound price combinations.

To further simplify our shipping options, the Postal Service will limit the Standard Post Zone 1 through 4, 1 through 70 pound price combinations to shipments of mailable hazardous materials, live animals, or other items required by standard to be shipped by ground transportation only. Standard Post will still be available for all mailable items shipped to Zones 5 through 8 up to 70 pounds.

Extra Services

Adult Signature Service

Adult Signature Service prices are increasing. The price for Adult Signature Required is \$5.20 and Adult Signature Restricted Delivery is \$5.45.

Return Services

Parcel Return Service

Parcel Return Service (PRS) prices will have an overall price increase of 3.0 percent. Return Network Distribution Center (RNDC) and Return Sectional Center Facility (RSCF) prices will have no increase. Return Delivery Unit (RDU) prices will increase an average of 5.7 percent.

Parcel Return Service — Full Network (PRS — Full Network) prices will remain the same for January 2014.

The Parcel Return Service annual permit fee and annual account maintenance fee are increasing. Information on fees can be found in the Domestic Mailing Services *Federal Register* Notice.

Mailer Services

Premium Forwarding Service

The enrollment fee for Retail or online applications for Premium Forwarding Service® (PFS®), in effect since 2005, is increasing. Additionally, the fee will now vary between Retail and online requests. The enrollment fee paid at the Retail Counter is increasing to \$17.00 per application. The enrollment fee paid online is being increased to \$16.00 per application. The price of the weekly reshipment charge will remain at \$17.00 for January 2014.

Premium Forwarding Service Commercial

The Postal Service provides this advance notice of the redesign of commercial Priority Mail Express (PME) Reshipment and Priority Mail (PM) Reshipment service offerings. Once final systems implementation is completed, anticipated for July 2014, the DMM standards will be revised accordingly. As background, the Postal Service currently offers residential and commercial customers options for reshipment of mail from one delivery location to another. For retail customers, Premium Forwarding Service® (PFS®) is available for up to one year and shipments are sent weekly. For commercial customers, PME Reshipment service (established with a USPS Corporate Account) and PM Reshipment service (established with a Merchandise Return Service (MRS) permit account) are available for a specific period of time and frequency.

Under the new commercial reshipment service, our PFS® offerings will be expanded. Premium Forwarding Service® Commercial (PFS® Commercial) will replace commercial PME Reshipment and PM Reshipment service and will be available to business customers who pay an annual enrollment fee and postage online. Customers will have the ability to determine the frequency and locations

where reshipment service is desired, and will choose if the shipments will be sent by either PME or PM. Shipping containers used for PFS[®] Commercial will be restricted to sacks, tray boxes, and for minimal amounts of mail, Flat Rate envelopes. Additionally, customers will no longer be required to provide MRS or PME labels for reshipments or to pay daily Pickup on Demand fees where currently applicable.

Effective in July 2014, enrollment for PFS[®] Commercial will be available through the Business Customer Gateway at:

<https://gateway.usps.com/bcg/login.htm>.

USPS Package Intercept

The USPS Package Intercept[™] fee will increase 5.0 percent to \$11.50 for January 2014.

USPS Package Intercept Automated Retail Requests

Currently, Retail customers may request to have their package intercepted and redirected to sender by submitting PS Form 1509, *Sender's Request for USPS Package Intercept Service* (previously *Sender's Application for Recall of Mail*). Commercial customers may request to have their package redirected to sender, to a new postal delivery address, or to a Post Office as Hold For Pickup service through the Business Customer Gateway at

<https://gateway.usps.com/bcg/login.htm>.

The Postal Service will introduce an additional phase of Package Intercept service which will automate the retail requests and related payments for Package Intercept service to online at www.usps.com. As a result of the retail online

implementation, manual requests are no longer necessary and PS Form 1509 will be retired.

Additionally, the Postal Service will revise various sections of DMM 507.5.0, Package Intercept, for clarification.

Pickup on Demand Service

The Pickup on Demand[®] service daily fee will remain at \$20.00 for January 2014.

Pickup on Demand Service Online Enhancements

The Postal Service will retire PS Form 5541, *Pickup Service Statement—Priority Mail Express, Global Express Guaranteed, Priority Mail, or Standard Post*, as a result of online enhancements that automate the payment method for all package pickup services, including Pickup On Demand. Online options, including the request for recurring pickups through the online Package Pickup program, are located at www.usps.com.

Recipient Services

Post Office Box Service

The competitive Post Office Box[™] service prices will increase an average of 3.5 percent within the existing price ranges previously set.

Other

New Zone 9 Added to Zone Priced Products

The Postal Service will extend zone pricing to add a “Zone 9” for domestic mail service products provided to the Freely Associated States (FAS). Costs associated with these destinations are unique and significant compared to other

origin and destination pairs currently covered by Zone 8. The FAS are three independent countries with eight ZIP Codes included in the 969 3-Digit ZIP Code area assigned to these locations as follows:

- Republic of Palau (PW) – 96939, 96940
- Federated States of Micronesia (FM) – 96941, 96942, 96943, 96944
- Republic of the Marshall Islands (MH) – 96960, 96970

Pricing for the remaining 5-Digit ZIP Codes in the 969 area will not be affected by this pricing change.

Palau Postage Refunds Guaranteed for Loss Only

As set forth in the terms of the Compact of Free Association between the United States Government and the government of the Republic of Palau pending ratification, Palau is added to the list of countries where guaranteed postage is not refunded other than for loss.

Noncompliant IMpb Barcode Surcharge

The Postal Service will implement a \$0.20 per piece price for IMpb noncompliant pieces. The surcharge will apply to all competitive product pieces entered at commercial prices. Pieces failing to meet the January 26, 2014 standards for IMpb use and falling outside the established thresholds will be subject to this new surcharge.

Information regarding the details on the application of the surcharge can be found in the November 2013, final rule Federal Register notice, *New Standards to Enhance Package Visibility*.

Permit Imprint Application Fee Waiver for eVS

The Postal Service will revise the DMM to waive the permit imprint application fee for mailers using an Electronic Manifest Mailing System (eVS®).

Packaging of Live Animals

The Postal Service will revise DMM standards to clarify that USPS-produced packaging, including Flat Rate containers, is not eligible for shipping live animals.

Resources

The Postal Service provides additional resources to assist customers with this price change for competitive products. These tools include price lists, downloadable price files, and *Federal Register* Notices, which may be found on the Postal Explorer® website at *pe.usps.com*.

The Postal Service adopts the following changes to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), incorporated by reference in the *Code of Federal Regulations*. See 39 CFR 111.1.

List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

Accordingly, 39 CFR part 111 is amended as follows:

PART 111 – [AMENDED.]

1. The authority citation for 39 CFR part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a); 13 U.S.C. 301-307; 18 U.S.C. 1692-1737; 39 U.S.C. 101, 401, 403, 404, 414, 416, 3001-3011, 3201-3219, 3403-3406, 3621, 3622, 3626, 3632, 3633, and 5001.

2. Revise the following sections of *Mailing Standards of the United States*

Postal Service, Domestic Mail Manual (DMM) as follows:

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Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)

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100 Retail Mail

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110 Priority Mail Express

113 Prices and Eligibility

1.0 Priority Mail Express Prices and Fees

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[Renumber 1.6 as 1.7 and add new 1.6 as follows:]

1.6 Optional Delivery Fee

An optional fee is charged for a 10:30 a.m. request to have Priority Mail Express items delivered to an addressee within the delivery area of the destination facility where available. See Notice 123—Price List for fee.

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4.0 Service Features of Priority Mail Express

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4.2 Priority Mail Express Next Day Delivery

4.2.1 Availability

[Revise the first sentence of 4.2.1 as follows:]

Priority Mail Express Next Day Delivery is available at designated USPS facilities, designated Priority Mail Express collection boxes, or through Package Pickup or Pickup on Demand service, for overnight service to designated 3-digit or 5-digit destination ZIP Code delivery areas. ***

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4.2.4 Delivery Times

[Revise the text of 4.2.4 as follows:]

Items are delivered by 3 p.m. on the next day. If delivery is not made, the addressee is notified; a reminder notice is also left on the third day. A second delivery is attempted only upon customer request. Items may be delivered by 10:30 a.m. for a fee under 1.6.

4.2.5 Hold For Pickup

[Revise the text of 4.2.5 as follows:]

Under Hold for Pickup service, items presented under 4.2 are available for pickup by the addressee at the destination facility by 10:30 a.m. or 3 p.m. of the next day the destination office is open for retail business.

4.3 Priority Mail Express Second Day Delivery

4.3.1 Availability

[Revise the text of 4.3.1 as follows:]

Priority Mail Express Second Day Delivery is available to any 3-digit or 5-digit ZIP Code destination not listed in the Next Day Delivery directory mentioned in 4.2.2. For an additional option, see 4.3.5, *Hold for Pickup*.

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[Renumber 4.3.4 as 4.3.5 and add new 4.3.4 as follows:]

4.3.4 Delivery Time

Items are delivered to the addressee by 3 p.m. on the second delivery day. If delivery is not made, the addressee is notified, a second notice is left on the third day, and a second delivery is attempted upon customer request. Items may be delivered by 10:30 a.m. for a fee under 1.6.

4.3.5 Hold For Pickup

[Revise the text of renumbered 4.3.5 as follows:]

Under Hold for Pickup service, items presented under 4.3 are available for pick up by the addressee at the destination facility by 10:30 a.m. or 3 p.m. of the second delivery day that the destination office is open for retail business.

4.4 Priority Mail Express Military Service (PMEMS)

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4.4.2 Availability

[Revise the last sentence of 4.4.2 as follows:]

*** PMEMS Open and Distribute service is available to authorized APO/FPO and DPO destinations.

[Delete 4.5 in its entirety and renumber 4.6 as 4.5.]

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115 Mail Preparation

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2.0 Priority Mail Express Next Day and Second Day

2.1 Mailing Label

[Revise the first sentence of 2.1 as follows:]

For each Priority Mail Express item, the mailer must complete Label 11-B or Label 11-F, Label 11-HFPU for Hold for Pickup service, or a single-ply Priority Mail Express label generated through Click-N-Ship or a USPS-approved method.

2.2 Waiver of Signature

[Revise the first sentence of 2.2 as follows:]

For editions of Priority Mail Express Label 11-B or Label 11-F printed before January 2012, a mailer sending a Priority Mail Express item may instruct the USPS to deliver a Priority Mail Express Next Day Delivery or Priority Mail Express Second Day Delivery item without obtaining the signature of the addressee or the addressee's agent by checking and signing the waiver of signature on Label 11-B or Label 11-F, or indicating waiver of signature is requested on single-ply commercial label. ***

2.3 Signature Required

[Revise the last sentence of 2.3 as follows:]

*** A mailer must select signature service for Priority Mail Express COD, or Priority Mail Express with additional insurance.

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150 Standard Post

153 Prices and Eligibility

1.0 Standard Post Prices and Fees

1.1 Price Eligibility

Standard Post prices are calculated based on the zone to which the parcel is addressed and the weight of the parcel. Standard Post prices are available as follows:

[Renumber items 1.1a and 1.1b as 1.1c and 1.1d and add new items 1.1a and 1.1b as follows:]

- a. Except for items mailed under 1.1b, Standard Post prices are only available for mailable items sent to Zones 5 through 8.
- b. Standard Post prices are available for items sent to Zones 1 through 8 that contain mailable hazardous materials or live animals eligible to be shipped by surface transportation, or for items required by standard to be shipped by surface transportation only.

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2.0 Basic Eligibility Standards for Standard Post

2.1 Definition of Standard Post

[Revise the text of 2.1 as follows:]

Standard Post has a maximum weight limit of 70 pounds per parcel and is available only through retail channels.

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3.0 Content Standards

[Delete the heading 3.1 General Content Standards and move the text under 3.0.

Revise the text of 3.0 as follows:]

Standard Post mail consists of mailable matter that is neither mailed or required to be mailed as First-Class Mail nor entered as Periodicals (except as permitted under 3.1a and 3.1b or permitted or required under 707.7.9). The general public (other than publishers or registered news agents) may mail copies of Periodicals publications at Standard Post prices. Attachments or enclosures (also see 4.0) of Periodicals sample copies may be mailed under the following conditions:

- a. Sample copies of authorized and pending Periodicals publications may be enclosed or attached with merchandise sent at Standard Post prices.
- b. Postage at Standard Post prices is based on the combined weight of the host piece and the sample copies enclosed.

[Delete current 3.2, Attachments or Enclosures of Periodicals Sample Copies, in its entirety.]

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200 Commercial Letters and Cards

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210 Priority Mail Express

213 Prices and Eligibility

1.0 Prices and Fees

1.1 Prices Charged Per Piece

[Revise the text of 1.1 by deleting the last sentence.]

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[Renumber 1.7 and 1.8 as 1.8 and 1.9. Add new 1.7 as follows:]

1.7 Optional Delivery Fee

An optional fee is charged for a 10:30 a.m. request to have Priority Mail Express items delivered to an addressee within the delivery area of the destination facility where available. See Notice 123—Price List for fee.

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[Delete renumbered 1.9, Delivery Stop, in its entirety.]

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4.0 Service Features of Priority Mail Express

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4.2 Priority Mail Express Next Day Delivery

4.2.1 Availability

[Revise the text of 4.2.1 as follows:]

Priority Mail Express Next Day Delivery is available via designated USPS facilities, designated Priority Mail Express collection boxes, or Pickup on Demand service, for overnight service to designated destination 3-digit ZIP Code delivery areas. For an additional option, see 4.2.5.

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[Renumber 4.2.4 as 4.2.5 and add new 4.2.4 as follows:]

4.2.4 Delivery Times

Except for items endorsed “Guaranteed by End of Day” per an approved customer agreement, items are delivered to an addressee within the delivery area of the destination facility by 3 p.m. on the next day. If delivery is not made, the addressee is notified, a second notice is left on the third day, and a second

delivery is attempted upon customer request. Items may be delivered by 10:30 a.m. for a fee under 1.7.

4.2.5 Hold For Pickup

[Revise the text of renumbered 4.2.5 as follows:]

Under Hold for Pickup service, items presented under 4.2 are available for pick up by the addressee at the destination facility by 10:30 a.m. or 3 p.m. of the next day the destination office is open for retail business.

4.3 Priority Mail Express Second Day Delivery

4.3.1 Availability

[Revise the text of 4.3.1 as follows:]

Priority Mail Express Second Day Delivery is available to any destination not listed in the Next Day Delivery directory mentioned in 4.2.2. For an additional option, see 4.3.5.

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[Renumber 4.3.4 as 4.3.5 and add new 4.3.4 as follows:]

4.3.4 Delivery Times

Except for items endorsed “Guaranteed by End of Day” per an approved customer agreement, items are delivered to an addressee within the delivery area of the destination facility by 3 p.m. on the second delivery day. If delivery is not made, the addressee is notified, a second notice is left on the third day, and a second delivery is attempted upon customer request. Items may be delivered by 10:30 a.m. for a fee under 1.7.

4.3.5 Hold For Pickup

[Revise the text of renumbered 4.3.5 as follows:]

Under Hold for Pickup service, items presented under 4.3 are available for pick up by the addressee at the destination facility by 10:30 a.m. or 3 p.m. of the second delivery day the destination office is open for retail business.

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[Delete 4.4, Priority Mail Express Custom Designed, in its entirety and renumber 4.5 and 4.6 as 4.4 and 4.5.]

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4.4 Priority Mail Express Military Service (PMEMS)

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4.4.2 Availability

[Revise the second sentence of renumbered 4.4.2 as follows:]

*** PMEMS Open and Distribute service is available to authorized APO/FPO destinations.

4.5 Open and Distribute

[Revise the text of renumbered 4.5 as follows:]

Priority Mail Express Next Day Delivery and Priority Mail Express Second Day Delivery may be used to expedite movement of any other class of mail from one domestic USPS facility to another by Priority Mail Express Open and Distribute subject to the standards in 705.18.0.

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215 Mail Preparation

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2.0 Priority Mail Express Next Day and Second Day

2.1 Mailing Label

[Revise the first sentence of 2.1 as follows:]

For each Priority Mail Express item, the mailer must complete Label 11-B or Label 11-F, Label 11-HFPU for Hold for Pickup service, or a single-ply Priority Mail Express label generated through Click-N-Ship or a USPS-approved method.

2.2 Waiver of Signature

[Revise the first sentence of 2.2 as follows:]

For editions of Priority Mail Express Label 11-B or Label 11-F printed before January 2012, a mailer sending a Priority Mail Express item may instruct the USPS to deliver a Priority Mail Express Next Day Delivery or Priority Mail Express Second Day Delivery item without obtaining the signature of the addressee or the addressee's agent by checking and signing the waiver of signature on Label 11-B or Label 11-F, or indicating waiver of signature is requested on single-ply commercial label. ***

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[Delete 3.0, Priority Mail Express Custom Designed, in its entirety and renumber 4.0 as 3.0.]

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3.0 Firm Mailing Book

Form 3877 is available at no cost to any mailer who mails an average of three or more Priority Mail Express items at one time, following these instructions:

[Revise renumbered item 3.0a as follows:]

- a. The mailer must prepare Priority Mail Express Next Day Delivery or Second Day Delivery items as described above and present the completed form with the items to be mailed.

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216 Enter and Deposit

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[Delete 2.0, Priority Mail Express Custom Designed, in its entirety and renumber 3.0 and 4.0 as 2.0 and 3.0.]

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220 Priority Mail

223 Prices and Eligibility

1.0 Prices and Fees

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1.3 Commercial Plus Prices

1.3.1 Basic Eligibility

[Revise the second sentence in the introductory text of 1.3.1 as follows:]

*** Commercial Plus prices are available to Priority Mail (including Critical Mail) customers who qualify for Commercial Base prices and whose cumulative account volume exceeds a combined total of 5,000 letter-size and flat-size pieces (including Flat Rate Envelopes, but not the Padded Flat Rate Envelope) or 50,000 total pieces (see 423) in the previous calendar year (except Priority Mail

Open and Distribute) and who have a customer commitment agreement with USPS (New Priority Mail customers see 1.3.2), and are:

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300 Commercial Flats

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310 Priority Mail Express

313 Prices and Eligibility

1.0 Prices and Fees

1.1 Prices Charged Per Piece

[Revise the text of 1.1 by deleting the last sentence.]

* * * * *

[Renumber 1.7 and 1.8 as 1.8 and 1.9. Add new 1.7 as follows:]

1.7 Optional Delivery Fee

An optional fee is charged for a 10:30 a.m. request to have Priority Mail Express items delivered to an addressee within the delivery area of the destination facility where available. See Notice 123—Price List for fee.

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[Delete renumbered 1.9, Delivery Stop, in its entirety.]

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4.0 Service Features of Priority Mail Express

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4.2 Priority Mail Express Next Day Delivery

4.2.1 Availability

[Revise the text of 4.2.1 as follows:]

Priority Mail Express Next Day Delivery is available via designated USPS facilities, designated Priority Mail Express collection boxes, or Pickup on Demand service, for overnight service to designated destination 3-digit ZIP Code delivery areas. For an additional option, see 4.2.5.

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[Renumber 4.2.4 as 4.2.5 and add new 4.2.4 as follows:]

4.2.4 Delivery Times

Except for items endorsed “Guaranteed by End of Day” per an approved customer agreement, items are delivered to an addressee within the delivery area of the destination facility by 3 p.m. on the next day. If delivery is not made, the addressee is notified, a second notice is left on the third day, and a second delivery is attempted upon customer request. Items may be delivered by 10:30 a.m. for a fee under 1.7.

4.2.5 Hold For Pickup

[Revise the text of renumbered 4.2.5 as follows:]

Under Hold for Pickup service, items presented under 4.2 are available for pick up by the addressee at the destination facility by 10:30 a.m. or 3 p.m. of the next day the destination office is open for retail business.

4.3 Priority Mail Express Second Day Delivery

4.3.1 Availability

[Revise the text of 4.3.1 as follows:]

Priority Mail Express Second Day Delivery is available to any destination not listed in the Next Day Delivery directory mentioned in 4.2.2. For an additional option, see 4.3.5.

* * * * *

[Renumber 4.3.4 as 4.3.5 and add new 4.3.4 as follows:]

4.3.4 Delivery Times

Except for items endorsed “Guaranteed by End of Day” per an approved customer agreement, items are delivered to an addressee within the delivery area of the destination facility by 3 p.m. on the second delivery day. If delivery is not made, the addressee is notified, a second notice is left on the third day, and a second delivery is attempted upon customer request. Items may be delivered by 10:30 a.m. for a fee under 1.7.

4.3.5 Hold For Pick Up

[Revise the text of renumbered 4.3.5 as follows:]

Under Hold for Pickup service, items presented under 4.3 are available for pick up by the addressee at the destination facility by 10:30 a.m. or 3 p.m. of the second delivery day the destination office is open for retail business.

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[Delete 4.4, Priority Mail Express Custom Designed, in its entirety and renumber 4.5 and 4.6 as 4.4 and 4.5.]

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4.4 Priority Mail Express Military Service (PMEMS)

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4.4.2 Availability

[Revise the second sentence of renumbered 4.4.2 as follows:]

*** PMEMS Open and Distribute service is available to authorized APO/FPO destinations.

4.5 Open and Distribute

[Revise the text of renumbered 4.5 as follows:]

Priority Mail Express Next Day Delivery and Priority Mail Express Second Day Delivery may be used to expedite movement of any other class of mail from one domestic USPS facility to another by Priority Mail Express Open and Distribute subject to the standards in 705.18.0.

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315 Mail Preparation

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2.0 Priority Mail Express Next Day and Second Day

2.1 Mailing Label

[Revise the first sentence of 2.1 as follows:]

For each Priority Mail Express item, the mailer must complete Label 11-B or Label 11-F, Label 11-HFPU for Hold for Pickup service, or a single-ply Priority Mail Express label generated through Click-N-Ship or a USPS-approved method.

2.2 Waiver of Signature

[Revise the first sentence of 2.2 as follows:]

For editions of Priority Mail Express Label 11-B or Label 11-F printed before January 2012, a mailer sending a Priority Mail Express item may instruct the USPS to deliver a Priority Mail Express Next Day Delivery or Priority Mail Express Second Day Delivery item without obtaining the signature of the addressee or the addressee's agent by checking and signing the waiver of signature on Label 11-B or Label 11-F, or indicating waiver of signature is requested on single-ply commercial label. ***

* * * * *

[Delete 3.0, Priority Mail Express Custom Designed, in its entirety and renumber 4.0 as 3.0.]

* * * * *

3.0 Firm Mailing Book

Form 3877 is available at no cost to any mailer who mails an average of three or more Priority Mail Express items at one time, following these instructions:

[Revise renumbered item 3.0a as follows:]

- a. The mailer must prepare Priority Mail Express Next Day Delivery or Second Day Delivery items as described above and present the completed form with the items to be mailed.

* * * * *

316 Enter and Deposit

* * * * *

[Delete 2.0, Priority Mail Express Custom Designed, in its entirety and renumber 3.0 and 4.0 as 2.0 and 3.0.]

* * * * *

320 Priority Mail

323 Prices and Eligibility

1.0 Prices and Fees

* * * * *

1.3 Commercial Plus Prices

1.3.1 Basic Eligibility

[Revise the second sentence in the introductory text of 1.3.1 as follows:]

*** Commercial Plus prices are available to Priority Mail (including Critical Mail) customers who qualify for Commercial Base prices and whose cumulative account volume exceeds a combined total of 5,000 letter-size and flat-size pieces (including Flat Rate Envelopes, but not the Padded Flat Rate Envelope) or 50,000 total pieces (see 423) in the previous calendar year (except Priority Mail Open and Distribute) and who have a customer commitment agreement with USPS (New Priority Mail customers see 1.3.2), and are:

* * * * *

400 Commercial Parcels

* * * * *

410 Priority Mail Express

413 Prices and Eligibility

1.0 Prices and Fees

1.1 Prices Charged Per Piece

[Revise the text of 1.1 by deleting the last sentence.]

* * * * *

[Renumber 1.7 through 1.9 as 1.8 through 1.10. Add new 1.7 as follows:]

1.7 Optional Delivery Fee

An optional fee is charged for a 10:30 a.m. request to have Priority Mail Express items delivered to an addressee within the delivery area of the destination facility where available. See Notice 123—Price List for fee.

* * * * *

[Delete renumbered 1.9, Delivery Stop, and renumber 1.10 as 1.9.]

* * * * *

4.0 Service Features of Priority Mail Express

* * * * *

4.2 Priority Mail Express Next Day Delivery

4.2.1 Availability

[Revise the text of 4.2.1 as follows:]

Priority Mail Express Next Day Delivery is available via designated USPS facilities, designated Priority Mail Express collection boxes, or through Package Pickup or Pickup on Demand service, for overnight service to designated destination 3-digit ZIP Code delivery areas. For an additional option, see 4.2.5.

* * * * *

[Renumber 4.2.4 as 4.2.5 and add new 4.2.4 as follows:]

4.2.4 Delivery Times

Except for items endorsed “Guaranteed by End of Day” per an approved customer agreement, items are delivered to an addressee within the delivery

area of the destination facility by 3 p.m. on the next day. If delivery is not made, the addressee is notified, a second notice is left on the third day, and a second delivery is attempted upon customer request. Items may be delivered by 10:30 a.m. for a fee under 1.7.

4.2.5 Hold For Pickup

[Revise the text of renumbered 4.2.5 as follows:]

Under Hold for Pickup service, items presented under 4.2 are available for pick up by the addressee at the destination facility by 10:30 a.m. or 3 p.m. of the next day the destination office is open for retail business.

4.3 Priority Mail Express Second Day Delivery

4.3.1 Availability

[Revise the text of 4.3.1 as follows:]

Priority Mail Express Second Day Delivery is available to any destination not listed in the Next Day Delivery directory mentioned in 4.2.2. For an additional option, see 4.3.5.

* * * * *

[Renumber 4.3.4 as 4.3.5 and add new 4.3.4 as follows:]

4.3.4 Delivery Times

Except for items endorsed “Guaranteed by End of Day” per an approved customer agreement, items are delivered to an addressee within the delivery area of the destination facility by 3 p.m. on the second delivery day. If delivery is not made, the addressee is notified, a second notice is left on the third day, and a

second delivery is attempted upon customer request. Items may be delivered by 10:30 a.m. for a fee under 1.7.

4.3.5 Hold For Pickup

[Revise the text of renumbered 4.3.5 as follows:]

Under Hold for Pickup service, items presented under 4.3 are available for pick up by the addressee at the destination facility by 10:30 a.m. or 3 p.m. of the second delivery day the destination office is open for retail business.

* * * * *

[Delete 4.4, Priority Mail Express Custom Designed, in its entirety and renumber 4.5 and 4.6 as 4.4 and 4.5.]

* * * * *

4.4 Priority Mail Express Military Service (PMEMS)

* * * * *

4.4.2 Availability

[Revise the second sentence of renumbered 4.4.2 as follows:]

*** PMEMS Open and Distribute service is available to authorized APO/FPO destinations.

4.5 Open and Distribute

[Revise the text of renumbered 4.5 as follows:]

Priority Mail Express Next Day Delivery and Priority Mail Express Second Day Delivery may be used to expedite movement of any other class of mail from one domestic USPS facility to another by Priority Mail Express Open and Distribute subject to the standards in 705.18.0.

* * * * *

415 Mail Preparation

* * * * *

2.0 Priority Mail Express Next Day and Second Day

2.1 Mailing Label

[Revise the first sentence of 2.1 as follows:]

For each Priority Mail Express item, the mailer must complete Label 11-B or Label 11-F, Label 11-HFPU for Hold for Pickup service, or a single-ply Priority Mail Express label generated through Click-N-Ship or a USPS-approved method.

2.2 Waiver of Signature

[Revise the first sentence of 2.2 as follows:]

For editions of Priority Mail Express Label 11-B or Label 11-F printed before January 2012, a mailer sending a Priority Mail Express item may instruct the USPS to deliver a Priority Mail Express Next Day Delivery or Priority Mail Express Second Day Delivery item without obtaining the signature of the addressee or the addressee's agent by checking and signing the waiver of signature on Label 11-B or Label 11-F, or indicating waiver of signature is requested on single-ply commercial label. ***

* * * * *

[Delete 3.0, Priority Mail Express Custom Designed, in its entirety and renumber 4.0 as 3.0.]

* * * * *

3.0 Firm Mailing Book

Form 3877 is available at no cost to any mailer who mails an average of three or more Priority Mail Express items at one time, following these instructions:

[Revise renumbered item 3.0a as follows:]

- a. The mailer must prepare Priority Mail Express Next Day Delivery or Second Day Delivery items as described above and present the completed form with the items to be mailed.

* * * * *

416 Enter and Deposit

* * * * *

[Delete 2.0, Priority Mail Express Custom Designed, in its entirety and renumber 3.0 and 4.0 as 2.0 and 3.0.]

* * * * *

420 Priority Mail

423 Prices and Eligibility

1.0 Prices and Fees

1.1 Price Application

The following price applications apply:

* * * * *

[Revise item 1.1g as follows:]

- g. Priority Mail Open and Distribute tray boxes mailed at Commercial Plus prices are not based on weight but are charged based on the tray box and zone to which it is sent.

* * * * *

1.3 Commercial Plus Prices

[Revise the heading of 1.3.1 as follows:]

1.3.1 Basic Eligibility

[Revise the introductory text of 1.3.1 as follows:]

Commercial Plus prices are available to Priority Mail (including Critical Mail) customers who qualify for Commercial Base prices and whose cumulative account volume exceeds a combined total of 5,000 letter-size and flat-size pieces (including Flat Rate Envelopes, but not the Padded Flat Rate Envelope) or 50,000 total pieces in the previous calendar year (except Priority Mail Open and Distribute) and who have a customer commitment agreement with USPS (New Priority Mail customers see 1.3.2), and are:

* * * * *

1.4 Commercial Plus Cubic

1.4.1 Commercial Plus Cubic Eligibility

[Revise the first sentence of 1.4.1 as follows:]

Commercial Plus cubic prices are generally available to Priority Mail customers whose account volumes exceeded 50,000 pieces in the previous calendar year and have a customer commitment agreement with the USPS. New Priority Mail customers see 1.4.5. ***

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500 Additional Mailing Services

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505 Return Services

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3.0 Merchandise Return Service

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507 Mailer Services

1.0 Treatment of Mail

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1.3 Directory Service

USPS letter carrier offices give directory service to the types of mail listed below that have an insufficient address or cannot be delivered at the address given (the USPS does not compile a directory of any kind):

* * * * *

[Revise item 1.3g as follows:]

g. Priority Mail Express Next Day Service.

* * * * *

5.0 Package Intercept

5.1 Description of Service

* * * * *

5.1.2 Eligibility

[Revise the text of 5.1.2 as follows:]

Package Intercept service is available for any Priority Mail Express, Priority Mail, First-Class Mail, First-Class Package Service, Parcel Select, Standard Post, and Bound Printed Matter, Media Mail, or Library Mail mailpieces with a tracking

barcode, addressed to, from, or between domestic destinations (608.2.0) that do not bear a customs declarations label, and measuring not more than 108 inches in length and girth combined, except as noted in 5.1.2.

5.1.3 Ineligible

[Revise the introductory text of 5.1.3 as follows:]

Package Intercept is not available for:

* * * * *

[Revise item 5.1.3b as follows:]

b. Mailpieces sent to or from APO/FPO/DPO destinations (703.2).

* * * * *

[Revise item 5.1.3e as follows:]

e. Mailpieces that do not contain a tracking or extra services barcode.

5.2 Postage and Fees

[Revise the text of 5.2 as follows:]

Customers must pay a nonrefundable per-piece fee to initiate the USPS process of attempting to intercept the mailpiece. Intercepted Priority Mail Express, Priority Mail and First-Class Mail pieces being redirected to the sender are not relabeled or subject to additional postage. Intercepted Parcel Select, Standard Post, Bound Printed Matter, Media Mail or Library Mail pieces that are redirected to the sender, and all intercepted mailpieces that are redirected to a new delivery address or a Post Office as Hold For Pickup (508.7), are relabeled and handled as a new Priority Mail piece. The new Priority Mail piece is charged at Priority Mail Commercial Based prices from the location where intercepted to the new

destination based on the dimensions, weight, and zone of the piece or the flat rate price if applicable. Postage and fee payments are as follows:

- a. For retail customers, the Package Intercept fee may be paid by credit or debit card at *www.usps.com*. Payment of any applicable postage and fees will be collected from the recipient as postage due upon delivery.
- b. For commercial customers, payment of the Package Intercept fee and any applicable postage and fees must be processed through the mailer's Centralized Account Payment System (CAPS) account.

5.3 Adding Extra Services

[Revise the introductory text of 5.3 as follows:]

Commercial customers who register and file their request through the Business Customer Gateway may add, and pay additional postage for, extra services on the new Priority Mail piece being redirected to a new address or a Post Office for Hold For Pickup, at the time of their online intercept request. Retail customers who file their request through *usps.com* may add extra services at the time of their online request which will be charged as postage due at the time of delivery. The relabeled item will be assigned a new Intelligent Mail package barcode (IMpb) applicable to the extra service purchased. All available USPS scans for the extra service will be available to the customer at no charge. Extra services may not be added to items being redirected to the sender. Only the following extra services may be added:

* * * * *

5.4 Registered Mail

[Revise the second sentence of 5.4 as follows:]

***Customers requesting to intercept Registered Mail must write on the receipt “Withdrawn” and sign and surrender the receipt to the Post Office.

5.5 Request for Intercept

[Revise the first and second sentences of 5.5 as follows:]

Retail customers may register and file a request to have their package intercepted at www.usps.com. Commercial customers may register and file a request at <https://gateway.usps.com/bcg/login.htm>. ***

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7.0 Pickup on Demand Service

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600 Basic Standards for All Mailing Services

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601 Mailability

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9.0 Perishables

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9.3 Live Animals

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9.3.10 Packaging

[Revise 9.3.10 by adding a new last sentence as follows:]

*** USPS-produced packaging, including Flat Rate containers, is not eligible for shipping live animals.

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604 Postage Payment Methods

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5.0 Permit Imprint (Indicia)

5.1 General Standards

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5.1.5 Application Fee

[Revise the text of 5.1.5 as follows:]

Except for eVS mailers under 705.2, the application fee is required. See Notice 123—Price List.

* * * * *

9.0 Exchanges and Refunds

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9.2 Postage and Fees Refunds

9.2.1 General Standards

A refund for postage and fees may be made:

* * * * *

[Add new item 9.2.1e as follows:]

- e. Under 9.5 for Priority Mail Express postage and Sunday/holiday premium and 10:30 a.m. delivery fees refunds.

* * * * *

[Revise the heading of 9.5 as follows:]

9.5 Priority Mail Express Postage and Fees Refunds

* * * * *

9.5.1 Priority Mail Express Next Day and Second Day Delivery

[Revise the text of 9.5.1 as follows:]

For Priority Mail Express Next Day and Second Day Delivery, the USPS refunds the postage and Sunday or holiday premium fee and/or the 10:30 a.m. delivery fee for an item not available for customer pickup at destination or for which delivery to the addressee was not attempted, subject to the standards for this service, unless the delay was caused by one of the situations in [9.5.6](#).

* * * * *

9.5.5 Refunds Not Given

[Revise the introductory text of 9.5.5 as follows:]

A postage refund will not be given if the guaranteed service was not provided due to any of the following circumstances:

* * * * *

[Revise the text of renumbered item 9.5.5i as follows:]

- i. The postage refund was other than for loss, and the Priority Mail Express piece was destined to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of Palau, the Republic of the Marshall Islands, or the Federated States of Micronesia (see 608.2.4.1 for ZIP Codes).

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700 Special Standards

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703 Nonprofit Standard Mail and Other Unique Eligibility

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2.0 Oversea Military Mail

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2.6 Priority Mail Express Military Service (PMEMS)

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[Revise the heading and text of 2.6.6 as follows:]

2.6.6 To APO/FPO and DPO Destinations

Under PMEMS, items mailed to APO/FPO and DPO destinations (from the United States) are available for delivery at the destination APO/FPO or DPO Post Office by 3 p.m. on the designated delivery day unless the designated delivery day is a weekend or holiday; in such cases, the item is available for delivery on the next business day.

[Revise the heading and text of 2.6.7 as follows:]

2.6.7 From APO/FPO and DPO Destinations

Under PMEMS, items mailed from APO/FPO and DPO locations (going to the United States) are delivered to an addressee within the delivery area of the destination Post Office by 3 p.m. on the designated delivery day.

2.6.8 Mailing Label

[Revise the first sentence of 2.6.8 as follows:]

For each PMEMS item, the mailer must complete mailing Label 11-B or Label 11-

F. ***

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705 Advanced Preparation and Special Postage Payment Systems

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2.0 Manifest Mailing System

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2.4 Authorization

2.4.1 Application

[Revise the text of 2.4.1 as follows:]

The mailer must submit an MMS application and supporting documentation as specified on the application to the postmaster of each Post Office where mailings will be deposited and under the publications as follows:

- a. Publication 401, *Guide to the Manifest Mailing System*, contains an application to mail using an MMS.
- b. Publication 205, *Electronic Verification System Technical Guide*, provides the eVS application procedures for mailers. Customers using an Electronic Manifesting Solution for Parcels must also establish a user account and mailer agreement with USPS in the Business Customer Gateway at <https://gateway.usps.com>.

* * * * *

2.6 Priority Mail Express Manifesting Agreements

* * * * *

2.6.2 What May be Manifested

[Revise the first sentence of 2.6.2 as follows:]

PMEM may be used to pay postage for Priority Mail Express and Priority Mail Express Military Service to qualifying APO/FPO and DPO addresses. ***

* * * * *

2.8 Applications, Agreement Renewals, Modifications, Suspensions, and Cancellations

*** The application for PMEM must be accompanied by the following:

[Revise item 2.8.1b as follows:]

- b. A copy of Form 5639 showing that a USPS Corporate Account has been established.

* * * * *

18.0 Priority Mail Express Open and Distribute and Priority Mail Open and Distribute

18.1 Prices and Fees

18.1.1 Basis of Price

The basis of price for Priority Mail Express and Priority Mail Open and Distribute is as follows:

[Revise the first sentence of item 18.1.1a as follows:]

- a. Priority Mail Express postage is based on the zone and weight of the contents of the Open and Distribute shipment. ***

* * * * *

[Revise the first sentence of item 18.1.1c as follows:]

- c. Except as provided above, Priority Mail postage is based on the zone and weight of the contents of the Open and Distribute shipment.

* * * * *

[Delete 19.0, Express Mail Reshipment Service, in its entirety. Renumber 705.20 through 705.26 as 705.19 through 705.25.]

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708 Technical Specifications

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10.0 Postal Zones

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10.4 Specific Zones

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10.4.2 Nonlocal Zone

Nonlocal zones are defined as:

* * * * *

[Add new item 10.4.2i as follows:]

- h. Zone 9 includes the destinations listed in DMM 608.2.2 (Republic of Palau , Federated States of Micronesia, and Republic of the Marshall Islands).

* * * * *

Index and Appendices

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Forms Glossary

[Delete the following forms:]

PS Form 1509, *Sender's Application for Recall of Mail*

PS Form 5541, *Pickup Service Statement — PME, GXG, PM, or Standard Post*

PS Form 5625, *Priority Mail Express Custom Designed Service Receipt*

PS Form 5637, *USPS Corporate Account/Custom Designed Agreement*

* * * * *

We will publish an appropriate amendment to 39 CFR part 111 to reflect these changes.

Stanley F. Mires,

Attorney, Legal Policy and Legislative Advice.

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